

Montana Department of Natural Resources and Conservation  
Water Resources Division  
Water Rights Bureau

**ENVIRONMENTAL ASSESSMENT**  
**For Routine Actions with Limited Environmental Impact**

**Part I. Proposed Action Description**

1. Applicant/Contact name and address:

K3, LLC  
313 N. 1<sup>st</sup> St. W.  
Missoula, MT 59802

2. Type of action: Application to Change a Water Right No. 76F-30103180

3. Water source name: Blackfoot River

4. Location affected by project: E2NW & NWNE of Section 22, T13N, R18W, Missoula County

5. Narrative summary of the proposed project, purpose, action to be taken, and benefits:

K3, LLC proposes to add two points of diversion groundwater wells to Statement of Claim No. 76F-116477-00. K3, LLC also proposes to add the purposes of commercial and irrigation to the water right's existing industrial use. The applicant will move 375 GPM up to 104.2 AF from the existing surface water pump in the SWNWNW of Section 22, T13N, R18W to two wells in the SENENW of Section 22, T13N, R18W that will be manifold together. Withdraws from the wells will be used to service a brewing facility, restaurant, and concert venue at the historical place of use. The DNRC shall issue a change authorization if an applicant proves the criteria in 85-2-402 MCA are met.

6. Agencies consulted during preparation of the Environmental Assessment:

Montana Natural Heritage Program	Species of Concern
Montana Department of Fish, Wildlife and Parks	2005 Dewatered Stream List
Montana Department of Environmental Quality	303(d) list of impaired streams

## **Part II. Environmental Review**

### **1. Environmental Impact Checklist:**

<b>PHYSICAL ENVIRONMENT</b>
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#### **WATER QUANTITY, QUALITY AND DISTRIBUTION**

**Water quantity** - *Assess whether the source of supply is identified as a chronically or periodically dewatered stream by DFWP. Assess whether the proposed use will worsen the already dewatered condition.*

The two wells will draw water from the aquifer adjacent to the Blackfoot River while the surface water pump flow rate and volume will be decreased by a corresponding flow rate and volume. Impacts to the surface water source from the proposed wells have been modeled and show that impacts to the Blackfoot River are immediate. The Lower Blackfoot River, from Belmont Creek to the confluence with the Clark Fork River, is not considered chronically or periodically dewatered by Montana Fish, Wildlife & Parks and is not included in any controlled groundwater closure areas. The Blackfoot River is included in the April 14, 1995 Upper Clark Fork River Basin Legislative Closure (MCA 85-2-319); however, this is not a new appropriation and any depletions to surface water sources have already been established.

*Determination:* No impact.

**Water quality** - *Assess whether the stream is listed as water quality impaired or threatened by DEQ, and whether the proposed project will affect water quality.*

The Lower Blackfoot River mainstem is not listed as impaired in Appendix A of DEQ's 2016 303(d) Water Quality Report. No impairment information or observed effects have been noted.

In the Montana DEQ – Water Quality Standards Attainment Record (2014), the reach condition near the mouth of the Blackfoot River (Bonner & Milltown) is listed as moderately impaired. Testing indicated toxicity related to organic causes (elevated porewater ammonia). Water chemistry testing up to the year 1998 indicated iron, lead, and copper exceeded aquatic life standards during high flows; however, after 2000 metals were no longer elevated, but ammonia levels are and may still impact benthic fauna upstream of Milltown.

This water right has been in use at the Applicant's place of use since 1904. The proposed addition of two points of diversion groundwater wells and addition of irrigation and commercial as beneficial uses will not affect water quality in the Lower Blackfoot River.

*Determination:* No impact.

**Groundwater** - *Assess if the proposed project impacts ground water quality or supply. If this is a groundwater appropriation, assess if it could impact adjacent surface water flows.*

The proposed change will not increase the volume of water that may be diverted or consumed by the Applicant. Known well, aquifer, and aquitard characteristics from well logs and previous investigations were used to run the AQTESOLV® modeling program. Modeling forecasts indicate that drawdown in excess of one foot occurs in wells that are 200 feet from the Applicant's proposed wells; there are no water rights in the source aquifer that are predicted to experience drawdown greater than one foot from pumping the proposed wells.

A previous change authorization identified the source of water for the wells associated with this water right to be the Blackfoot River after finding that the wells were effectively drawing water directly from the Blackfoot River following 40 minutes of pumping. The proposed change requires diversions to cease from the surface water pump at the same flow rate and volume that will be withdrawn from the groundwater wells. As surface water is the original source for the flow rate and volume being changed and the immediate impacts to the surface water source resulting from the groundwater withdrawals, the department finds that there will be no new impacts to the ground or surface water sources resulting from this change.

*Determination:* No impact.

**DIVERSION WORKS** - *Assess whether the means of diversion, construction and operation of the appropriation works of the proposed project will impact any of the following: channel impacts, flow modifications, barriers, riparian areas, dams, well construction.*

Applicant proposes to add two groundwater well points of diversion, pumping a combined 375 GPM up to 104.2 AF from the wells, located approximately 200 feet from the Blackfoot River. The new wells will be manifold together. The Applicant will be able to reduce or eliminate pumping from the new wells in the event that a call is made, allowing the Applicant to mitigate for adverse effects to other water users if a call for water is placed. After modeling groundwater flux throughout the zone of influence, it was determined that the projected drawdown would not cause adverse effect to existing groundwater users.

*Determination:* No significant impact.

#### **UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES**

**Endangered and threatened species** - *Assess whether the proposed project will impact any threatened or endangered fish, wildlife, plants or aquatic species or any "species of special concern," or create a barrier to the migration or movement of fish or wildlife. For groundwater, assess whether the proposed project, including impacts on adjacent surface flows, would impact any threatened or endangered species or "species of special concern."*

The Montana Natural Heritage Program (MNHP) was contacted to determine if there are any threatened or endangered fish, wildlife, plants or aquatic species or any "species of special concern", that could be impacted by the proposed project. The MNHP identified the following animal species: Great Blue Heron, Bald Eagle, Evening Grosbeak, Golden Eagle, Peregrine Falcon, Veery, Westslope Cutthroat Trout, Bull Trout, Fisher, Canada Lynx, Western Skink, and

A Millipede. Other species observances include: Porcupine, Wolverine, Barrow's Goldeneye, Clark's Nutcracker, Harlequin Duck, Hooded Merganser, Northern Goshawk, Pacific Wren, Pileated Woodpecker, Rufous Hummingbird, Western Toad, Lake Trout, and the Stalk-leaved Monkeyflower.

The location of the proposed wells is approximately 200 feet from the Blackfoot River in Section 22, T13N, R18W, Missoula County. Any impacts to the above listed sensitive species have likely already occurred as a result of commercial activities at the site. Additionally, although the source is considered surface water due to hydraulic connectivity to the Blackfoot River, the point at which the water is being pumped is located underground in two wells. It is unlikely that any additional impacts will occur as a result of the installation of the wells as the water is pumped at a distance of approximately 200 feet from the river. Noise originating from the concert venue may cause temporary disruptions to some of the above-listed species.

*Determination:* No significant impact.

**Wetlands** - *Consult and assess whether the apparent wetland is a functional wetland (according to COE definitions), and whether the wetland resource would be impacted.*

The proposed project does not create or impact any wetlands.

*Determination:* No impact.

**Ponds** - *For ponds, consult and assess whether existing wildlife, waterfowl, or fisheries resources would be impacted.*

The proposed project does not create or impact any ponds.

*Determination:* No impact.

**GEOLOGY/SOIL QUALITY, STABILITY AND MOISTURE** - *Assess whether there will be degradation of soil quality, alteration of soil stability, or moisture content. Assess whether the soils are heavy in salts that could cause saline seep.*

The addition of the two points of diversion will cause a temporary disturbance of the soils where the wells are being installed. In addition, construction of the brewing facility, restaurant, and concert venue will result in temporary disruptions to soil stability. There are no long-term concerns with soil quality, soil stability, or moisture content at the site where the two groundwater wells and additional beneficial uses are being proposed. The soils at the Bonner Millsite are nonsaline and thus, not susceptible to saline seep.

*Determination:* No impact.

**VEGETATION COVER, QUANTITY AND QUALITY/NOXIOUS WEEDS** - *Assess impacts to existing vegetative cover. Assess whether the proposed project would result in the establishment or spread of noxious weeds.*

The proposed construction of two wells, a restaurant, brewing facility, and concert venue will cause soil disruption that may favor weed species. The addition of 14.5 acres of turf grass will help reduce the likelihood that noxious weeds are spread. The place of use is not changing as a result of the addition of the two wells and facilities: Bonner Millsite

K3, LLC is responsible for controlling weeds at the place of use for their portion of this water right.

*Determination:* No impact

**AIR QUALITY** - *Assess whether there will be a deterioration of air quality or adverse effects on vegetation due to increased air pollutants.*

As the proposed new uses include both commercial and industrial, impacts to air quality may occur. Historical use at the site was commercial and in relation to past uses, there is unlikely to be an increase in deterioration of air quality; thus, adverse air quality impacts from increased air pollutants are not expected as a result of this project.

*Determination:* No impact.

**HISTORICAL AND ARCHEOLOGICAL SITES** - *Assess whether there will be degradation of unique archeological or historical sites in the vicinity of the proposed project if it is on State or Federal Lands.*

NA: Project not located on State or Federal Lands.

*Determination:* No impact.

**DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AND ENERGY** - *Assess any other impacts on environmental resources of land, water and energy not already addressed.*

All impacts to land, water, and energy have been identified and no additional impacts are anticipated.

*Determination:* No impact.

## HUMAN ENVIRONMENT

**LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS** - *Assess whether the proposed project is inconsistent with any locally adopted environmental plans and goals.*

The department is unaware of any locally adopted environmental plans and goals. The applicant has secured the appropriate permits for waste disposal and the proposed uses are unlikely to conflict with local regulations appurtenant to the site.

*Determination:* No impact.

**ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES** - *Assess whether the proposed project will impact access to or the quality of recreational and wilderness activities.*

The proposed project will not inhibit, alter or impair access to the present recreational opportunities in the area. The project may create noise pollution due to the concert venue, in addition to traffic congestion, that may alter the quality of recreational opportunities; however, the proposed uses are in accordance with past commercial uses at the Bonner Millsite property.

*Determination:* No significant impact.

**HUMAN HEALTH** - *Assess whether the proposed project impacts on human health.*

The proposed points of diversion and addition of irrigation and commercial uses at the site are not projected to have any impacts to human health.

*Determination:* No impact.

**PRIVATE PROPERTY** - *Assess whether there are any government regulatory impacts on private property rights.*

Yes \_\_\_ No XX *If yes, analyze any alternatives considered that could reduce, minimize, or eliminate the regulation of private property rights.*

*Determination:* No impact.

**OTHER HUMAN ENVIRONMENTAL ISSUES** - *For routine actions of limited environmental impact, the following may be addressed in a checklist fashion.*

*Impacts on:*

(a) Cultural uniqueness and diversity? None identified.

(b) Local and state tax base and tax revenues? Development of a concert venue, brewing facility and restaurant will provide for the tax base of this area.

- (c) Existing land uses? Existing land use is industrial; the proposed wells will also provide for commercial and irrigation uses.
- (d) Quantity and distribution of employment? Development of the concert venue, brewing facility, and restaurant will provide employment opportunities in the area.
- (e) Distribution and density of population and housing? None identified.
- (f) Demands for government services? None identified.
- (g) Industrial and commercial activity? The proposed facilities will continue with the historical industrial uses and add commercial activities in the area.
- (h) Utilities? Additional utilities will be required for development of the concert venue, brewing facility and restaurant.
- (i) Transportation? This application proposed the creation of a concert venue that anticipates 3,000 attendees per concert for 20 concerts from April 1 through October 31, in addition to a restaurant for which they anticipate 700 visitors per day and a brewing facility with the capacity to produce up to 100,000 barrels annually. Due to the location of these facilities and events, there is a possibility that transportation issues may arise. There is only one road (Highway 200) that accesses the property; this road sees high use due to traffic attributed to daily commuters to and from Missoula and neighboring towns, use of the Blackfoot River, tourist traffic, residential traffic, and other various uses.
- (j) Safety? None identified.
- (k) Other appropriate social and economic circumstances? None identified.

**2. *Secondary and cumulative impacts on the physical environment and human population:***

Secondary Impacts: Creation of a concert venue and brewery along the banks of the Blackfoot River, a popular river for recreation, may result in increased river traffic and potential impacts to the banks adjacent to the concert venue.

Cumulative Impacts: None identified.

**3. *Describe any mitigation/stipulation measures:***

No reasonable alternatives were identified in the EA.

**4. *Description and analysis of reasonable alternatives to the proposed action, including the no action alternative, if an alternative is reasonably available and prudent to consider:***

No alternative identified.

### *PART III. Conclusion*

**1. Preferred Alternative:** None identified.

**2 Comments and Responses**

**3. Finding:**

Yes\_\_\_ No **XX** Based on the significance criteria evaluated in this EA, is an EIS required?

*If an EIS is not required, explain why the EA is the appropriate level of analysis for this proposed action:*

The history of this site is high volume industrial use. Potential impacts from the proposed actions, although different in nature from past uses, are likely in-line with impacts observed from the historical practices at this site that previously supported high use industrial activities.

*Name of person(s) responsible for preparation of EA:*

*Name:* Amy Groen

*Title:* Hydrologist/Specialist

*Date:* July 31, 2017